

pursuant to section 12 of the act, such licensee shall be furnished by the Secretary, or by his designated representative, a written statement specifying the charges and shall be allowed a reasonable time within which he may answer the same in writing and apply for a hearing, an opportunity for which shall be afforded in accordance with § 738.72.

§ 738.61 Return of suspended, revoked, terminated licenses.

(a) In case a license issued to a grader or weigher is suspended or revoked by the Secretary, or his designated representative, such license shall be returned to the Secretary. At the expiration of any period of suspension of such license, unless in the meantime it be revoked, the dates of the beginning and termination of the suspension shall be indorsed thereon, it shall be returned to the grader or weigher to whom it was originally issued, and it shall be posted as prescribed in § 738.52.

(b) Any license issued under the act and the regulations in this part to a grader or weigher shall automatically terminate as to any warehouse whenever the license of such warehouse shall expire or be suspended or revoked. Thereupon the license of such grader or weigher shall be returned to the Secretary. In case such license shall apply to other warehouses, the Secretary, or his designated representative, shall issue to him a new license, omitting the names of the warehouses the licenses of which have been suspended or revoked. Such new license shall be posted as prescribed in § 738.52.

§ 738.62 Lost or destroyed licenses.

Upon satisfactory proof of the loss or destruction of a license issued to a grader or weigher, a duplicate thereof may be issued under the same number.

§ 738.63 Unlicensed persons; misrepresentation.

No person shall in any way represent himself to be a grader or weigher licensed under the act if his license is in suspension or has been revoked.

WOOL GRADING

§ 738.64 Statement of grades.

Whenever the grade of wool is required to be or is stated for the purposes of the act or the regulations in this part, it shall be stated in accordance with §§ 738.64 through 738.67.

§ 738.65 Wool grades; adoption; terms defined.

(a) The official wool grades of the United States within their scope are hereby adopted as the official wool standards for the purposes of the act and the regulations in this part.

(b) Factors other than those included in the official grades and for which no standards of the United States are in effect shall be stated in accordance with any standards approved for the purpose by the Service.

(c) Wool which is reduced in value because of the presence of extraneous matter, or irregularity, or other defect not affecting its grade, such as wrapped with sisal or binder twine, excessively wrapped, dead, cotted, burry, seedy, black, gray, or colored, damaged, carbonizing, kempy, or false packed, shall be so designated.

(d) For the purpose of this section the following terms used in connection with or to describe wool, shall be construed respectively to mean:

(1) *Excessively wrapped.* Wool tied with more wrappings of twine than is necessary to bundle properly folded and rolled fleeces.

(2) *Dead wool.* Wool from dead sheep.

(3) *Cotted wool.* Wool that has felted or matted on the sheep's back.

(4) *Burry wool.* Wool containing burrs removable by hand or mechanical means.

(5) *Seedy wool.* Wool containing seeds, chaff, or other vegetable matter.

(6) *Black, gray, or colored wool.* Entire fleeces or portions of fleeces of black, gray, or colored wool.

(7) *Damaged wool.* Wool damaged by fire, water, moisture, or moths.

(8) *Carbonizing wool.* Wool from which the burrs or other substances can be removed only by carbonizing.

(9) *Kempy wool.* Wool containing kemps, opaque, white fibers, found generally in the fleeces of old or sick sheep.

(10) *False packed.* A fleece so packed as fraudulently to conceal substances entirely foreign to wool.

(11) *Lamb's wool.* The first fleeces shorn from young sheep.

(12) *Buck's.* The heavy, oily fleeces shorn from male sheep.

(13) *Bright.* Bright, white lustrous wool.

(14) *Semibright.* Lustrous wool dulled in color by the foreign matter it contains.

§ 738.66 Examinations; basis of grade.

Whenever the grade of wool is required to be or is stated for the purposes of the act or the regulations in this part, it shall be based upon a careful and thorough examination of the wool, and the grading thereof shall be made under conditions which permit the determination of its true grade.

§ 738.67 Wool standard forms.

Each warehouseman and grader shall keep himself provided with, or have access to, a set of practical forms of the official wool standards of the United States.

CROSS REFERENCES: For official wool standards of the United States, and for forms of the official standards, see 7 CFR part 31 of this chapter.

ARBITRATION

§ 738.68 Wool arbitration.

(a) Except when agreements have been made in accordance with the United States Arbitration Act (43 Stat. 883; 9 U.S.C. 1-14), in case a question arises as to whether the condition, grade, or shrinkage of the wool was correctly stated in a receipt, or grade certificate issued under the act and the regulations in this part, the licensed warehouseman or the lawful holder of the receipt or certificate concerned, after reasonable notice to the other interested party, may submit the question to an arbitration committee for determination in accordance with this section.

(b) Such arbitration committee shall be composed of three or more dis-

interested persons who are competent to pass upon the questions involved. If there be a local trade organization such as a board of trade, chamber of commerce, exchange, or inspection department which provides such a committee under a rule or practice acceptable to the Administrator for the purpose, such as committee may determine the question. In the absence of such committee, or if for any good reason not inconsistent with the act and the regulations in this part such committee is not acceptable to either of the parties interested, the complainant and the other party shall each name a member, and the two members so named shall select a third member, who shall constitute the arbitration committee. Each member of any such committee shall at all times be subject, for good cause to the disapproval of the Administrator, and in case any member is so disapproved he shall not thereafter act on an arbitration committee which is considering any questions relating to the same lot of wool unless such disapproval be withdrawn.

(c) It shall be the duty of the interested parties to acquaint the arbitration committee with the exact nature of the question to be determined and all the necessary facts and to permit the committee to examine the receipt, certificate, or wool involved or any papers or records needed for the determination of the question. The committee shall make a written finding setting forth the question involved, the necessary facts, and its determination. Such findings or a true copy thereof shall be filed as a part of the records of the licensed warehouseman involved. It may dismiss the matter without determination upon the request of the complainant, or for noncompliance by the complainant with the law or the regulations in this part, or because it is without sufficient evidence to determine the question, in which case the decision shall be deemed to be against the complainant. Except as otherwise provided by law, its decision shall be final for the purposes of the act and the regulations in this part, unless the Administrator shall direct a review of the question. Any necessary and reasonable expense of such arbitration shall be borne by the losing party, unless the